



CONNECTICUT
STATE COUNCIL

SERVICE EMPLOYEES
INTERNATIONAL UNION
AFL-CIO, CLC

Testimony of Stacey Zimmerman of SEIU-CT State Council

**H. J. 114 RESOLUTION PROPOSING AN AMENDMENT TO THE STATE
CONSTITUTION CONCERNING THE BALANCED BUDGET
AMENDMENT.**

March 23, 2009

Good morning, Co-Chairs Senator Slossberg, Representative Spallone and the members of the Government Administration and Elections Committee. Thank you for the opportunity to testify today. The Service Employees International Union Connecticut State Council represents over 53,000 active and retired members in Connecticut. SEIU is the states largest union with both public and private sector members.

SEIU Supports, H. J. 114 RESOLUTION PROPOSING AN AMENDMENT TO THE STATE CONSTITUTION CONCERNING THE BALANCED BUDGET AMENDMENT.

Increasing the budgetary cycle could have profound effects on the ability of the state to deal with an economic downturn such as the one we are currently experiencing. The current model leaves little room to maximize the efforts of the Federal Stimulus Package as much of the money is used to fill existing budget gaps as opposed to increasing the amount of capitol in the states economy.

Keynesian Theory would suggest that to get economy kick started again the federal money would have a multiplier effect on existing state spending. Under our existing budgeting system it is very difficult for that to happen. In essence we are patching a damn instead of building a new one.

In a column in the New York Times on December 28, 2008 Titled Fifty Herbert Hoovers, Nobel Laurent, Paul Krugman expressed these same concerns.

"But even as Washington tries to rescue the economy, the nation will be reeling from the actions of 50 Herbert Hoovers --- state governors who are slashing spending in a time of recession, often at the expense both of their most vulnerable constituents and of the nation's economic future."

This proposal has the possibility to fundamentally change how the state deals with crisis. It has the potential to give the Legislature and the Governor the opportunity to craft policies that enable economic growth as opposed to slashing public spending.

In closing SEIU supports this proposal and believes is should advance in the process. The crisis we are now in can be an opportunity to fundamentally change how we as a State function. H. J. 114 is one of those opportunities.

Main Office:

77 Huyshope Avenue
Hartford, CT 06106

860.251.6091

Fax: 860.548.1935

77 Bedford Street
4th Floor
Stamford, CT 06901

203.602.6615

Fax: 203.964.0428